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*Proposed General Counsel for Committee of  
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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH**

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In re:

WESTERN UTAH COPPER  
COMPANY,

Debtor.

Bankruptcy Case No. 10-29159

Chapter 11

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**RESPONSE TO DEBTOR'S APPLICATION TO EMPLOY THE WATLEY GROUP,  
LLC AS CONSULTANT AND INVESTMENT BANKER TO DEBTOR**

The Official Committee of Unsecured Creditors (“Committee”), appointed by the Office of the United States Trustee in the above-captioned matter, files this response (“Response”) to Debtor’s Application to Employ the Watley Group, LLC as Consultant and Investment Banker to Debtor (“Consultant Application”) and states as follows:

**I. Background**

1. On May 18, 2010 (the “Petition Date”), the Debtor filed its voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (“Bankruptcy Code”) with the United States Bankruptcy Court for the District of Nevada (“Nevada Bankruptcy Court”). Since the Petition Date, the Nevada Bankruptcy Court transferred venue of this case to this Court.

2. The Debtor continues to manage its business affairs pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been requested or appointed in this case.

3. On August 2, 2010, the Debtor filed the Consultant Application.

4. As part of the scope of The Watley Group’s (“Watley”) engagement, Watley is to provide investment banking services for the purpose of raising DIP financing. The proposed engagement contemplates the Debtor paying Watley a fee of 5.25% of the gross amount of the DIP facility (the “Success Fee”), of which amount Watley may use, in its sole discretion, up to 2.25% of the gross amount of the DIP facility to pay finders fees to parties that have been instrumental in raising post-petition financing.

## II. Response

5. While the Committee supports the retention of Watley, it is unclear under which provision of the Bankruptcy Code Watley is proposed to be retained. Likewise, it is not entirely clear whether the Debtor seeks approval of the Success Fee through the Consultant Application.

6. The Committee submits that any order approving the retention of Watley identify the Bankruptcy Code section under which Watley is being retained. Likewise, any order approving the retention of Watley should provide that the Success Fee be subject to further order of the Court, following notice and a hearing.

7. The Committee reserves all rights with respect to the Success Fee.

WHEREFORE, the Committee respectfully requests that this Court grant the Consultant Application, subject to the conditions set forth in this Response.

Respectfully submitted this 23<sup>rd</sup> day of August, 2010.

ANDERSON & KARRENBURG, PC

/s/ Steven W. Dougherty  
Steven W. Dougherty

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for the Committee of  
Creditors*

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/s/ Michael J. Roeschenthaler  
Michael J. Roeschenthaler

*Proposed General Counsel  
for the Committee of Unsecured  
Creditors*

**CERTIFICATE OF SERVICE**

I hereby certify that on this 23<sup>rd</sup> day of August, 2010, I caused a true and correct copy of the foregoing **RESPONSE TO DEBTOR'S APPLICATION TO EMPLOY THE WATLEY GROUP, LLC AS CONSULTANT AND INVESTMENT BANKER TO DEBTOR** to be served via CM/ECF to the attorneys on file and via U.S. mail, postage prepaid, upon the following:

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